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DEPARTMENT OF COMMERCE

International Trade Administration

C-533-825

Polyethylene Terephthalate Film, Sheet, and Strip from India: Preliminary Results and Partial Recission of Countervailing Duty Administrative Review; 2013

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce

SUMMARY: The Department of Commerce (the Department) is conducting an administrative review under the countervailing duty (CVD) order on polyethylene terephthalate film, sheet and strip (PET film) from India for the period of review (POR) January 1, 2013, through December 31, 2013. We preliminarily determine that Jindal Poly Films Limited of India (Jindal) and SRF Limited (SRF) received countervailable subsidies during the POR. See the "Preliminary Results of Review" section, below. Interested parties are invited to comment on these preliminary results.

DATES: Effective date: (Insert Date of Publication in the <u>Federal Register.</u>)

FOR FURTHER INFORMATION CONTACT: Elfi Blum, AD/CVD Operations, Office VII, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-0197.

Partial Rescission of Administrative Review

The Department initiated a review of eight companies in this proceeding.¹ In response to timely filed withdrawal requests, we are rescinding this administrative review with respect to MTZ and Uflex pursuant to 19 CFR 351.213(d)(1). Accordingly, the companies subject to the instant review are: Ester, Garware, Polyplex, SRF, Jindal, Vacmet, and Vacmet India Limited, of which the Department has selected Jindal and SRF as the mandatory respondents.²

Scope of the Order

For purposes of the order, the products covered are all gauges of raw, pretreated, or primed polyethylene terephthalate film, sheet and strip, whether extruded or coextruded. Excluded are metallized films and other finished films that have had at least one of their surfaces modified by the application of a performance-enhancing resinous or inorganic layer of more than 0.00001 inches thick. Imports of PET film are classifiable in the Harmonized Tariff Schedule of the United States (HTSUS) under item number 3920.62.00.90. HTSUS subheadings are provided for convenience and customs purposes. The written description of the scope of the order is dispositive.

Methodology

The Department conducted this review in accordance with section 751(a)(l)(A) of the Tariff Act of 1930, as amended (the Act). For each of the subsidy programs found countervailable, we preliminarily determine that there is a subsidy, <u>i.e.</u>, a government-provided financial contribution that gives rise to a

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¹ See Initiation of Antidumping and Countervailing Duty Administrative Reviews, 79 FR 51548 (August 29, 2014) (Initiation Notice). The seven companies were Ester Industries Limited (Ester), Garware Polyester Ltd. (Garware), Jindal Poly Films Limited of India (Jindal), MTZ Polyesters Ltd. (MTZ), Polyplex Corporation Ltd. (Polyplex), SRF Limited (SRF), and Vacmet. See also, Initiation of Antidumping and Countervailing Duty Administrative Reviews, 79 FR 76956 (December 23, 2014). The one additional company was Uflex Ltd (Uflex), which was inadvertently omitted from the prior initiation notice.

² See Preliminary Decision Memorandum.

benefit to the recipient, and that the subsidy is specific.³ For a full description of the methodology underlying our conclusions, <u>see</u> the Memorandum from Christian Marsh, Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations to Ronald K. Lorentzen, Deputy Assistant Secretary for Enforcement and Compliance, titled "Decision Memorandum for the Preliminary Results and Partial Rescission of the Countervailing Duty (CVD) Administrative Review of Polyethylene Terephthalate Film, Sheet, and Strip (PET film) from India; 2013" (Preliminary Decision Memorandum), dated concurrently with, and hereby adopted by, this notice.

The Preliminary Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at http://access.trade.gov and in the Central Records Unit, room B8024 of the main Department of Commerce building. In addition, a complete version of the Preliminary Decision Memorandum can be accessed directly on the Internet at http://trade.gov/enforcement/firn/index.html. The signed Preliminary Decision Memorandum and the electronic versions of the Preliminary Decision Memorandum are identical in content.

Companies Not Selected for Individual Review

For the companies not selected for individual review (Ester, Garware, Polyplex, Vacmet, and Vacmet India Limited), because the rates calculated for Jindal and SRF were above <u>de minimis</u> and not based entirely on facts available, we applied, consistent with section 705(c)(5)(A) of the Act, a subsidy rate based on a weighted average of the subsidy rates calculated for Jindal and SRF using publicly ranged sales data submitted by respondents.

³ <u>See</u> sections 771(5)(B) and (D) of the Act regarding financial contribution; section 771(5)(E) of the Act regarding benefit; and section 771(5A) of the Act regarding specificity.

Preliminary Results of Review

We determine the total estimated net countervailable subsidy rates for the period

January 1, 2013, through December 31, 2013 to be:

Manufacturer/Exporter	Subsidy Rate (percent <u>ad valorem</u>)
Jindal Poly Films of India Limited	9.86
SRF Limited	2.11
Ester Industries Limited	6.65
Garware Polyester Ltd.	6.65
Polyplex Corporation Ltd.	6.65
Vacmet	6.65
Vacmet India Limited	6.65

Disclosure and Public Comment

The Department will disclose to parties to this proceeding the calculations performed in reaching the preliminary results within five days of the date of publication of these preliminary results.⁴ Interested parties may submit written comments (case briefs) within 30 days of publication of the preliminary results and rebuttal comments (rebuttal briefs) within five days after the time limit for filing case briefs.⁵ Rebuttal briefs must be limited to issues raised in the case briefs.⁶ Parties who submit case or rebuttal briefs are requested to submit with the argument: (1) a statement of the issue; (2) a brief summary of the argument; and (3) a table of authorities.⁷

Interested parties who wish to request a hearing, must do so within 30 days of publication of these preliminary results by submitting a written request to the Assistant Secretary for Enforcement and Compliance, U.S. Department of Commerce, using Enforcement and Compliance's ACCESS system.⁸ Requests should contain the party's name, address, and telephone number, the number of participants, and a list of the issues to be discussed. If a request for a hearing is made, we will inform parties of the scheduled date for the hearing which will be held at the U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230, at a time and location to be determined.⁹ Parties should confirm by telephone the date, time, and location of the hearing. Issues addressed at the hearing will be limited to those raised in the briefs.¹⁰ All briefs and hearing requests must be filed electronically

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⁴ <u>See</u> 19 CFR 351.224(b).

⁵ See 19 CFR 351.309(c)(l)(ii) and 351.309(d)(l).

⁶ See 19 CFR 351.309(d)(2).

⁷ See 19 CFR 351.309(c)(2) and (d)(2).

⁸ See 19 CFR 351.310(c).

⁹ See 19 CFR 351.310.

¹⁰ See 19 CFR 351.310(c).

and received successfully in their entirety through ACCESS by 5:00 p.m. Eastern Time on the due date.

Unless the deadline is extended pursuant to section 751(a)(3)(A) of the Act, the Department will issue the final results of this administrative review, including the results of our analysis of the issues raised by the parties in their comments, within 120 days after publication of these preliminary results.

Assessment Rates and Cash Deposit Requirement

In accordance with 19 CFR 351.221(b)(4)(i), we assigned a subsidy rate for each producer/exporter subject to this administrative review. Upon issuance of the final results, the Department shall determine, and U.S. Customs and Border Protection (CBP) shall assess, countervailing duties on all appropriate entries covered by this review. We intend to issue instructions to CBP 15 days after publication of the final results of review.

Pursuant to section 751(a)(2)(C) of the Act, the Department also intends to instruct CBP to collect cash deposits of estimated countervailing duties, in the amounts shown above for each of the respective companies shown above, on shipments of subject merchandise entered, or withdrawn from warehouse, for consumption on or after the date of publication of the final results of this review. For all non-reviewed firms, we will instruct CBP to continue to collect cash deposits at the most-recent company-specific or all-others rate applicable to the company, as appropriate. These cash deposit requirements, when imposed, shall remain in effect until further notice.

These preliminary results of review are issued and published in accordance with sections 751(a)(l) and 777(i)(l) of the Act and 19 CFR 351.213 and 351.221(b)(4).

Ronald K. Lorentzen Deputy Assistant Secretary for Enforcement and Compliance

July 31, 2015. Date

Appendix I

List of Topics Discussed in the Preliminary Decision Memorandum

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